

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**1. Name and Address of Issuer**

POSaBIT Systems Corporation (the “**Company**”)  
15 Lake Bellevue Drive, Unit 101  
Bellevue, Washington, 98005  
United States of America

**2. Date of Material Change**

October 11, 2023.

**3. News Release**

A news release dated October 11, 2023 was disseminated through the facilities of Business Wire and subsequently filed on the System for Electronic Data Analysis and Retrieval (SEDAR+) at [www.sedarplus.ca](http://www.sedarplus.ca).

**4. Summary of Material Change**

On October 11, 2023, the Company provided an update on its PIN debit processing solution.

**5. Full Description of Material Change**

**5.1 Full Description of Material Change**

On October 11, 2023, the Company provided an update on its PIN debit processing solution. The Company noted that there had been an industry-wide decrease in debit acceptance rates caused, in part, by the removal of certain payment rails. As a result, industry-wide PIN debit acceptance rates declined to an unacceptable level of approximately 30-40%. The Company noted that it was optimistic that acceptance rates will be restored to historical levels of 90%+ in the near-term; however, it noted that there was no set timetable for such restoration and there can be no assurance that such historical acceptance rates will be restored.

**5.2 Disclosure for Restructuring Transaction**

N/A

**6. Reliance on subsection 7.1(2) of National Instrument 51-102**

N/A

**7. Omitted Information**

N/A

**8. Executive Officer**

For further information, contact Ryan Hamlin, Chief Executive Officer; +1 (855) 767-2248.

9. **Date of Report**

October 12, 2023.

*This report contains forward-looking statements, including statements regarding the Company's business strategy, product development, events and courses of action. Statements which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future including words or phrases such as "anticipate," "objective," "may," "will," "might," "should," "could," "can," "intend," "expect," "believe," "estimate," "predict," "potential," "plan," "is designed to" or similar expressions suggesting future outcomes or the negative thereof or similar variations, including the Company's expectations relating to future debit acceptance rates. Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking statements, including business, economic and capital market conditions; the Company's ability to remain competitive as other better financed competitors develop and release competitive products; regulatory uncertainties; market conditions and the demand and pricing for the Company's products; and the Company's relationships with its customers, distributors and business partners.*